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industry level. Mobile homes accounted for about 80 percent of the output of the trailer coach industry in 1963 with the remainder accounted for by smaller, recreational-type units. Because mobile homes accounted for most of the inputs to the industry and because the same types of inputs are used in the smaller units, it was assumed that the input pattern for mobile homes was the same as that for the total industry.

In order to achieve comparability with the data on inputs to construction, the furniture and appliances purchased by mobile home manufacturers for installation in the units were omitted, while the trade margin on the sale of the mobile home to its final purchaser and the transportation from factory to site were added.

The direct requirements per unit shown in

table 1 were obtained by multiplying the direct requirements per dollar of output times the estimated unit costs on line D of table 1. The unit cost estimates for construction were derived from Bureau of the Census and FHA data. (It should be noted that there is some evidence that the 1963 unit cost of high-rise apartments may have been somewhat higher than that shown in table 1, which is based on the differential between walk-up and high-rise apartments insured by FHA.) The mobile home price was based on unit price data from the 1963 *Census of Manufactures* (adjusted to exclude furniture and appliances and to include transportation and trade margins).

The total requirements per dwelling unit shown in table 2 were obtained by taking the direct requirements per dwelling unit as a final demand and multiplying them by the coeffi-

cients in the total requirements table at the 367-industry level. (This rather involved computation is necessary because the total requirements table for the 367-industries—the most detailed available—does not contain separate columns for each type of construction which would permit the values to be obtained more directly.)

The distribution of an industry's sales as shown in table 3 is obtained in two stages. First, the total requirements placed on each industry as a result of producing a dwelling unit were computed as described above. Second, the direct requirements by each industry for plastics materials (or railroad transportation) were obtained by multiplying the total requirements times the direct requirements per dollar of its output by the industry for plastics materials (or railroad transportation).

Revised Estimates of Retail and Business Inventories

REVISED monthly estimates of retail inventories and of combined manufacturing and trade inventories starting in 1961 are shown in the accompanying tables. Also shown are revised inventory-sales ratios.

These tables reflect revisions in retail inventories and manufacturers' sales, both unadjusted and adjusted for seasonal variations, and in manufacturers' inventories adjusted for seasonal variations. The data for retail sales and for merchant wholesalers' sales and inventories have not been revised.

The report M3-1.2 *Manufacturers' Shipments, Inventories, and Orders: 1961-70*, available from the U.S. Government Printing Office, Washington, D.C. 20402 (\$1.00 per copy), contains complete information on the revision of these series.

Retail inventories are estimated on an establishment basis each month by the Office of Business Economics, on the basis of sample data reported to the Census Bureau. The current revisions reflect adjustment of 1968 and 1969 figures to yearend benchmark data provided by the Census Bureau's *Annual Retail Trade Reports* for those years, as well as some adjustments for 1961-67 in the allocation of inventories among lines of trade within the nondurable goods group. Also, the seasonal factors for all lines of trade have been recalculated.

The revised estimate of total retail inventories at the end of 1969 is 2½ percent lower than that previously

published, lowering the stock-sales ratio for December 1969 from 1.56 to 1.52. The revised inventory data were incorporated in the national income and product accounts in the regular annual revisions, published in the July 1970 SURVEY.

The 1968 and 1969 *Annual Retail Trade Reports* gave the first direct measures of inventories based on the new procedures introduced by the Census Bureau in 1968, and thus made possible an evaluation of the assumptions underlying the previous OBE estimates of inventories on the new basis for the period 1961-67 (SURVEY, November 1968, page 21 and May 1969, page 51). OBE's previously published estimates of inventories by line of trade on the new basis, also back through 1961, rested on the assumption that the procedural change had an impact on inventories commensurate with the then-measurable impact on sales. It is this assumption which has been reviewed in the light of further information.

Because of the procedural change in 1968, the line of trade data in the 1967 and 1968 *Annual Retail Trade Reports* are not comparable. Therefore, heavy reliance was placed on comparable 1967 and 1968 company data from *Statistics of Income* in calculating the yearend 1967 inventory levels on an establishment basis. Yearend levels for earlier years are based on the relative movements shown in the *Annual Retail Trade Reports*, with monthly interpolations based on data from the Census Bureau's monthly retail trade sample. Additional information on retail inventories, the sample design, and the reliability of the data can be found in the Census Bureau's 1968 and 1969 *Annual Retail Trade Reports* (BR-13-68 and BR-69-13).

beginning January 1968, and the Census Bureau constructed sales estimates on that basis back through August 1967. In order to provide consistent historical data by line of trade, OBE used techniques similar to those used by Census for late 1967 to construct sales estimates back through 1961 (SURVEY, November 1968, page 21 and May 1969, page 51). OBE's previously published estimates of inventories by line of trade on the new basis, also back through 1961, rested on the assumption that the procedural change had an impact on inventories commensurate with the then-measurable impact on sales. It is this assumption which has been reviewed in the light of further information.

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